

**DRAFT SUMMARY**

**Legend:** DRA stands for Division of Rate Payer Advocates

CWA stands for California Water Association

GRC stands for General Rate Case

WRAM stands for Water Revenue Adjustment Mechanism

Version: 9/15/2006

		Issues	DRA	Joint Signatories	CalAm	CWA	Golden State	Great Oaks	Mono Lake Committee	Park	Suburban	San Gabriel
1	A A C C	Conservation - WRAM		Recommend decoupling revenues from sales by water revenue adjustment mechanism (WRAM) (p.2) Advice letter to establish a revenue/sales adjustment account (p.6). Request for WRAM (pp. 5-6)	Favor conservation rate design with WRAM (p.4)					Authorize Class A companies to implement WRAM by advice letter. (p.2) Eliminate financial disincentives associated with conservation similar to ERAM. (p.2)	Delete "Decoupling sales from revenues (submit a proposal)" from GRC checklist (p.2)	Strongly urge Commission to reject any proposal that will likely lead to mismatch between adopted rates and underlying sales and cost of service (p.2)
2	A A B C C	Conservation - rate design		Increasing block rates (p. 2, p.5, p.6); customers with metered service connections billed at volumetric rates (p.3)	Increase revenue collection in variable cost component to provide fixed cost recovery protection. (p.4) Also suggests positive returns on equity adjustment if company fully utilizes conservation measures, and negative adjustments in cases where utility does not promote conservation. (p.4)			Commission's rate setting policies are not insensitive to conservation, nor are they ineffective. (p.2)	***** Reply to Joint Signatories: DRA and other stakeholders should have opportunity to review and recommend rate structures that achieve conservation purposes of the Joint Signatories and WAP prior to application of Phase One recommendations. (p.1)		Suggests relabeling checklist item "increasing block rates(submit a proposal)" to Conservation rates (Submit a proposal)" (p.1)	***** Reply to CalAm: Against CalAm. suggestion to increase revenue collection in variable component (shifting more of fixed costs into quantity rate), violates sound rate design principles and current CPUC requirement. Shifting fixed costs into quantity charge provides inappropriate price signals to customers. (p.6) Also against CalAm's equity reward and penalty system. (p.7)
3	A C C C C	Conservation - metering		File a meter installation plan for all unmetered service connections (p.4)	Company to have plan to meter all current unmetered connections within 2 GRC cycles (p.3)							***** Against CalAm. suggestion to revise RCP and make metering mandatory. Metering does not always make good economic sense (ex.metering existing large apartment complexes would require costly retrofitting and re-piping.) Also conservation benefits are not always commensurate with cost of installing meters. (p.6)
4	A B C C C	Conservation										***** Supports CalAm. and Park positions on water conservation. (p.2)
5	A B B C C	Conservation - efficient use		Foundational analyses for additional water use efficiency (p.3)								
6	A B B B C	Conservation - avoided cost		Prepare a quantitative determination of their avoided cost of water (p.4)								
7	A A B C C	Conservation - programs		Increased conservation program activity and accountability (p. 2)								

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8	A C C C	Conservation - waste water		Develop approaches to allow wastewater service providers to employ volumetric billing of wastewater service (p.4)								
9	A B C C	Conservation - demand reduction		Financial assistance for demand reduction measures (p.5)								
10	A A B C C	Conservation - rate base treatment		Recommendations for criteria to allow future investment in water conservation programs to be eligible for addition to the rate base. (p.4)								
11	A B C C	Conservation - CUWCC			Encourage company participation in CUWCC(Cal. Urban Water Conservation Council). (p.4)							
12	A B C C	Conservation - energy utilities			Require companies to work with energy utilities to assess effectiveness of conservation. (p.3)							
13	A B C C	Conservation - statewide tariff					Authorize a statewide tariff which recognizes the value of the resource and includes a provision for promoting conservation without a financial disincentive to the utility (p.3)					
14	A B C C C	Conservation - shortage allocation policy					Amend the Commission's rules to provide specific water shortage allocation policies (p.2)					

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15	A A B C C	Conservation - investment		Investment at system-wide aggregate 1.5 % of revenues or more, allowing variance among districts. (p.3)						***** Reply to Joint Sig.: Opposes proposal for 1.5% system-wide investment. Although large multidistrict companies can balance the ratios among districts to achieve 1.5% overall, single-district companies can not deviate from the fixed percentage, even if the 1.5% may be inappropriate for the company. (p.3)		
16	A A B C C	Conservation - low income ratepayers								Assist low income ratepayers – recommend generic proceeding to review master meters and state-wide assistance program similar to CARE. (p.3)		
17	A B C C	Conservation - energy use		Reduce the energy consumption of water utilities (p.4)								
18	A B B C	Conservation - water losses		Beginning in 2007, collect data on water losses. (p.4) Include a component analysis of water system losses. (p.4)								
19	A A C C	Conservation - best management practices		Comply with Best Management Practices (p.3)								
20	A B C C	Conservation - annual report		Report annually on water conservation program (p.3)								

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21	A B C C C	Conservation - public education		Financial incentives for education and other programs (p.4)						Have Public Advisors Office prepare brochure explaining benefits of its rate design policy and its relation to water conservation and resulting benefits. (p.2)		***** Reply to Park: Supports having Public Advisor prepare public brochure on water conservation benefits. (p.2)